

1 March 2024

The Honorable Martin Glenn
United States Bankruptcy Court, Southern District of New York
One Bowling Green
New York, New York 10004-1408

Re: Celsius Network LLC, et al. ("Celsius"), Case Number 22-10964 / Appeal to Intercede against Excessive Withdrawal Fees Assessed by PayPal & Venmo from Celsius Earn Creditor Distributions

Dear Judge Glenn,

Firstly, your work on behalf of the massive number of retail creditors in the Celsius bankruptcy proceedings is greatly appreciated.

From following the many letters to your Honor inside the Stretto portal, many from creditors in extremely dire situations due to their heavy Celsius losses, I acknowledge this petition seeks to address a relatively lesser issue. Nonetheless, as I understand the unfairness detailed below impacts quite a large percentage of US-based, Celsius Earn Creditors, I believe the issue warrants your consideration. Neither Stretto nor PayPal have responded to my several outreaches seeking resolution.

To receive our Celsius Earn Distribution, in both BTC and ETH, under the Court-ordered Approved Plan, I/we are solely being offered PayPal or its subsidiary Venmo. Both payment platforms (generally used for small merchant sales or peer-to-peer transactions) are charging their standard three percent transaction rates for withdrawals, an unreasonably high rate relative to Coinbase or other cryptocurrency exchanges.

By way of comparison (please see attached), Celsius's US competitor BlockFi's Bankruptcy Agent (Kroll Restructuring) has negotiated a \$0.19 flat fee deduction to receive crypto withdrawal distributions on PayPal and Venmo – OR via Zelle, MasterCard or Direct Deposit to the creditor's bank account.

Celsius Bankruptcy administrators, given the scale of the crypto refunds being distributed, are clearly in a position to secure a similarly advantageous negotiated flat rate for Celsius Earn Creditors. Imposing an additional three percent withdrawal fee, following a ~75 percent reduction for in-kind distributions, is neither reasonable nor equitable.

I respectfully beseech your Honor, on behalf of all retail Celsius Earn creditors, to intercede with the Approved Plan administrators to remedy the excessive withdrawal fees now being imposed. By way of further background, please see the distribution notice sent this week by crypto exchange Gemini (another US-based Celsius competitor) to its Earn Users.

Thank you for your consideration.

Kind regards,

Vincent J Burniske
Coral Gables, FL

BlockFi Bankruptcy

Kroll Restructuring Administration

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Payment Options



mastercard.

No fee will be deducted at time of payment ⓘ

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\$0.19 will be deducted from your payment ⓘ

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venmo

\$0.19 will be deducted from your payment ⓘ

USE VENMO



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\$0.19 will be deducted from your payment ⓘ

USE DIRECT DEPOSIT

\$0.19 will be deducted from your payment ⓘ

USE ZELLE

If you prefer to receive a paper check (and have \$3.50 deducted from your payment) instead of the faster, more convenient, and less expensive options listed above, click this [link](#).

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Vincent Burniske [REDACTED]

Great News! Every Earn User Expected to Recover 100% of Their Assets in Kind

Gemini <hello@news.gemini.com>
Reply-To: hello@gemini.com
To: vburniske [REDACTED]

Wed, Feb 28, 2024 at 5:16 PM



Hi Vincent,

We are pleased and relieved to let you know that we have finally reached a settlement in principle with Genesis and other creditors in the Genesis Bankruptcy that will, if approved by the Bankruptcy Court, result in **all Earn users receiving 100% of their digital assets back in kind.**

This means, for example, that if you had lent one bitcoin in the Earn program, you will receive one bitcoin back. And it means that **you will receive any and all appreciation of your assets since you lent them into the Earn program.** If approved, we will be returning over \$1.8 billion in value (at today's prices) — \$700 million more than when Genesis halted withdrawals on November 16, 2022.

Looking forward, if the Bankruptcy Court approves the settlement in principle announced today, you **can expect to receive approximately 97% of your assets in kind within about two months.** And you can expect to receive your remaining asset balance within the next 12 months.

The settlement in principle is subject to definitive documentation. This required Bankruptcy Court process could take as long as two months to complete, and we will keep you informed along the way. Gemini thanks the New York Department of Financial Services (DFS) for its role in this settlement, which delivers a coin-for-coin recovery for Earn users.

Team Gemini



gemini.com

Gemini Trust Company, LLC

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